



FLINT HILLS
resources®

July 28, 2009

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7007 0220 0002 9463 9737

Illinois Environmental Protection Agency
Division of Water Pollution Control
Compliance Assurance Section #19
Annual Inspection Report
P.O. Box 19276
Springfield, IL 62794-9276

Re: 2009 Annual Storm Water Inspection Report
Flint Hills Resources, LP
NPDES Permit ILR000057

Dear Madam or Sir:


Enclosed is the 2009 Annual Storm Water Inspection Report for the Flint Hills Resources, LP ("FHR") facility located in Peru, IL (the "Facility"). This is being submitted pursuant to Permit Condition #9 of Section E, and Condition 1 of Section G, of the Facility's General NPDES Permit ("Permit") issued on April 3, 2009 by the Illinois EPA, Division of Water Pollution Control.

As required by the Permit, a copy of the Facility's Storm Water Pollution Prevention Plan (SWPPP) was electronically submitted to epa.indilr00swppp@illinois.gov. As noted in FHR's SWPPP, FHR is investigating historical information from a prior owner regarding one or more wells that may be connected to the storm water system. Additionally, as required by the Permit, the 2009 Annual Inspection Report was also electronically submitted to epa.indannualinsp@illinois.gov.

The renewed permit became effective on May 1, 2009, and contains new requirements regarding performance of quarterly visual observations of discharges (Condition 8 of Section E). The Facility will begin these quarterly observations in the calendar quarter starting July 1, 2009.

Should you have any questions or need additional information regarding this submittal, please contact Ganesh Krish at (815) 224-5451.

Sincerely,


Brian J. Marcinkus
Plant Manager

Enclosures: • Attachment 1 – IEPA Annual Facility Inspection Report
 • Attachment 2 – Annual Storm Water Inspection Checklist
 • Attachment 3 – Summary of Storm Water Related Spill Events During the Reporting Period

bcc: Mr. Gale Newton, FHR Senior Counsel – Environmental
 EHS File # 4035.16

<N:\EHS\Environmental\StormWater\2009\2009 Annual Inspection Report R1.doc>

ATTACHMENT 1

Flint Hills Resources, LP
501 Brunner Street
Peru, Illinois
Facility NPDES Permit ID: ILR000057

IEPA Annual Facility Inspection Report

**ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
ANNUAL FACILITY INSPECTION REPORT
NPDES PERMIT FOR STORM WATER DISCHARGES
ASSOCIATED WITH INDUSTRIAL SITE ACTIVITIES**

Complete each section of this report. Place a NA in sections that do not apply to your operation.

REPORT PERIOD:	FROM JULY 1, 2008	TO JUNE 30, 2009
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OWNER/OPERATOR INFORMATION: (As it appears on the current permit)

NAME: FLINT HILLS RESOURCES, LP	TELEPHONE NUMBER: (815) 224-5472	
MAILING ADDRESS: 501 BRUNNER STREET		
CITY: PERU	STATE: IL	ZIP: 61354
CONTACT PERSON: (Person responsible for Annual Report) GANESH KRISH		

FACILITY/SITE INFORMATION: (As it appears on the current permit)


FACILITY NAME: FLINT HILLS RESOURCES, LP	PERMIT NUMBER: ILR 000057	
FACILITY LOCATION: 501 BRUNNER STREET		
CITY: PERU	STATE: IL	ZIP: 61354
COUNTY: LA SALLE	PRIMARY SIC CODE: 2821	

RECEIVING WATER INFORMATION

STORM SEWER: <input type="checkbox"/>	OWNER NAME:
WATERS OF THE STATE: <input checked="" type="checkbox"/>	CLOSEST RECEIVING WATERS: ILLINOIS RIVER

ADDITIONAL INFORMATION

Has this facility received an NPDES Permit under a different own/operator name in the past? If so, list last name permit was issued to: HUNTSMAN EXPANDABLE POLYMERS COMPANY, LC (Prior Owner)
Attach information on any activity that has occurred at this facility during the report period that may have resulted in pollutants discharged to storm water runoff (e.g. Spills).
Attach information on any changes to the facility or the activity occurring at the facility that resulted in significant changes to the SWPPP.

SIGNATURE: 	DATE: 07/28/2009
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ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
WATER POLLUTION CONTROL
COMPLIANCE ASSURANCE SECTION #19
1021 NORTH GRAND AVENUE EAST
POST OFFICE BOX 19276
SPRINGFIELD, ILLINOIS 62794-9276

Information required by this form must be provided to comply with 415 ILCS 5/39 (1996). Failure to do so may prevent this form from being processed and could result in your application being denied. This form has been approved by the Forms Management Center.

ATTACHMENT 2

Flint Hills Resources, LP
501 Brunner Street
Peru, Illinois
Facility NPDES Permit ID: ILR000057

Annual Storm Water Inspection Checklist

**STORM WATER MANAGEMENT
CHECKLIST FOR ANNUAL INSPECTION**

Peru, Illinois Facility

Date JUNE 17, '09 Weather Conditions CLOUDY

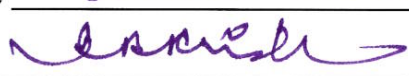
- ☒ Trash, litter, debris (NONE APPARENT)
- ☒ Significant accumulations of beads (SW QUAD 1F B4)
- ☒ Spillage at compactors (NONE VISIBLE)
- ☒ Improper storage of materials, equipment (NONE APPARENT)
- ☒ Storage boxes and bags -- torn, damaged, exposed to run-off, spillage (NONE VISIBLE)
- ☒ Tanks -- corrosion, damage, inadequate support, containment, leakage (NONE APPARENT)
- ☒ Drums -- corrosion, damage, uncovered, containment, spillage (SLIGHT CORROSION ON SOME EMPTY DRUMS)
- ☒ Secondary containment structures -- structural integrity, presence of oil or residue filled with water, valves open (GOOD)
- ☒ Piping and valves -- corrosion, leakage (NONE VISIBLE)
- ☒ Pumps and hose connections -- leakage (NONE APPARENT)
- ☒ Sludge accumulations near wastewater plant (NONE VISIBLE)
- ☒ Oil staining on ground * (A FEW STAINS IN THE RC/EXTN CHEM STORAGE ROOM)

* STAINED AREA WAS ON CONCRETE INSIDE OF A BUILDING

7/23/09 ERIK

- ☒ Other residue, discolored surfaces (None Observed)
- ☒ Erosion problems (None)
- ☒ Accumulations of debris/sediment at catch basins/inlets, stop gates, skimmer pond (None Visible)
- ☒ Non stormwater discharge to surface (None)
- ☒ Spill response equipment and supplies at appropriate locations (Stocked)
- ☒ Other

Inspector Name GANESH KRISH

Signature 

ATTACHMENT 3

Flint Hills Resources, LP
501 Brunner Street
Peru, Illinois
Facility NPDES Permit ID: ILR000057

**Summary of Storm Water Related Spill Events During
the Reporting Period**
July 1, 2008 through June 30, 2009

ATTACHMENT 3

Flint Hills Resources, LP - Peru, Illinois
Summary of Storm Water Related Spill Events
July 1, 2008 through June 30, 2009

Date	Material(s)	Area	Total Quantity	Media	Cause	Notes
7/22/2008	EPS Beads	Packout (next to compactor)	~300 pounds	The smalls-line coming from Tower 3 failed at a morse coupling allowing the beads to be sprayed out of the opening	Coupling failure	Maintenance tightened the morse coupling
9/29/2008	Treated Wastewater	North Clarifier Tank	~8 gallons	Treated wastewater leak (pin-hole-sized) from the North Clarifier Tank at the facility. The hole was ~18 inches from the top of the tank.	Age of tank and visible corrosion issues.	The leak was discovered at around 6:30 a.m. Treated effluent from the tank was being sprayed onto the blacktop through the hole in the tank. Approximately 50% of the leak evaporated and the remaining material entered the trench around the tank. A temporary repair was performed on the tank to stop the leak. No discharge to the storm sewer or to the river occurred due to the small quantity of discharge. The tank was repaired the next day.
9/29/2008	Liquid Chlorine	WWTP	~1/4 gallons	Liquid chlorine was found leaking from the hose on the chlorine pump.	Age of hose and visible wear and tear issues.	The leak was discovered at around 10:00 a.m. by the operator. He immediately shut off the pump and closed the valves. The area was rinsed with a water hose. No discharge to the storm sewer or to the river occurred due to the small quantity of discharge.
12/22/2008	Styrene, TCP, PK, and Water	Bldg 4 Containment Pit	~408 gallons (7" of product lost from the reactor with a diameter of 131")	The Strahman on Reactor R15 at the facility was found releasing the spilled material into the containment pit on the south side of Bldg 4	Water-blasting-work performed earlier on R15 apparently damaged the unprotected Strahman seal that was newly installed prior to the water-blasting operations	At around 22:45, the security guard notified the supervisor that he could smell styrene near the guard-shack. When the supervisor walked around Bldg 4, he discovered that R15 was releasing the material into the containment pit. Attempts to stop the leak were unsuccessful. For operational and personnel safety, the batch was taken through the react phase, cooled, and then dumped into the containment pit south of Building 4 (as suggested by the Production Manager).
12/28/2008	Styrene	Utilities/Tank Farm	~½ gallon	The spilled material was discovered leaking from the flex-line above the recirculation pump 1100	Equipment Failure	The pump was valved out and absorbent pads were applied to contain the spill. A work-order was issued to fix the damaged equipment
12/31/2008	Styrene	Building 4	~1/64 of a gallon	Operator noticed styrene dripping from the valve stem while the valve was cut back	Equipment Failure	The valve was opened all the way to stop the leak. A work-order was put in to install a new valve system.
1/5/2009	Styrene	Bldg 4	~1/32 of a gallon	Operator discovered a styrene leak while pumping to R15 upon valve cut back	Equipment Failure	The valve was opened all the way to stop the leak. The loose bolt at the top of the valve pack was tightened. A work-order was issued to fix the problem
1/8/2009	Hydraulic Oil (PCB-Free)	Facility West Gate	16 - 32 Oz	The spill occurred when the hydraulic system on a contractor's bucket truck started leaking	The cold weather is believed to have led to rupture of an oil-containing pipeline	Oil-dry absorbent was immediately placed on the spilled material. Ganesh Krish contacted the manufacturer of the hydraulic oil to obtain information related to the PCB content in the spilled oil. The manufacturer's technical representative indicated that this oil was PCB-free and does not contain any components that are regulated by EPA. An MSDS for this material is attached to the spill report

ATTACHMENT 3

Flint Hills Resources, LP - Peru, Illinois
Summary of Storm Water Related Spill Events
July 1, 2008 through June 30, 2009

Date	Material(s)	Area	Total Quantity	Media	Cause	Notes
1/16/2009	Atmer 110 Antistat + Water	Bldg 4	1 gallon	Antistat material was found to be spraying along the backwall.	Equipment Failure: T-3 antistat-line was found to be frozen against the north wall in Bldg 4.	The spilled material was hosed off with water into the effluent process trench system within Bldg 4.
3/2/2009	Waste Water + Treated Sludge from the Clarifier	WWTP	~1,000 gallons	The spill occurred when the utility operator was pumping treated wastewater/sludge from the clarifier tank to the sludge pits for solids treatment. The sludge pits overflowed and flooded the area and ~100 gallons flowed out of the WWTP building.	The pumping operation was not manned and when the operator got back, he observed that the sludge pits were overflowing.	The utility operator attempted to close the stop-gate to prevent the spilled material from leaving the facility. However, the stop-gate was buried under a stockpile of dirt from a nearby excavation to fix a PIV. The quantity of material that left the building was too low to get to the nearby storm sewers. No spilled material migrated off-site. Spilled material within the WWTP building was pumped back to the surge tank.
4/26/2009	Styrene	Bldg 4 (6th Floor next to R18 and 5th Floor on top of R18)	12 gallons	The operator was distracted during pumping styrene into the Cat Tank on the 6th floor of Bldg 4. The Cat Tank overflowed and styrene was spilled on the 6th and 5th floors of the building	Human error - operator was distracted	The spill was cleaned up by flushing to drain into the B4 pit area. The floors were cleaned with water.
4/26/2009	Styrene	Bldg 4 Containment Pit	170 gallons (0.06 lbs of styrene were emitted to the atmosphere)	The remaining styrene in the overflowed-Cat Tank was drained into the B4 containment pit	Human error - operator was distracted	The drained styrene was then pumped to the facility's wastewater treatment plant for treatment.
5/26/2009	Gear Oil	D7 Blower North Pad	1-2 quarts	The bearing-housing on the D7 Blower was making a lot of unusual noise. Upon being checked, it was hot and had leaked ~2 quarts of gear oil	Equipment failure	Maintenance replaced the faulty bearing-housing.
5/28/2009	EPS Beads	Packout	200 pounds	Operator reported that packout bin #9 level-control was reading 36% but it was discovered that it was overfilling from top and spilled approximately 200 pounds of EPS beads on the top cat-walk area (and some below as well)	Equipment/Controls Error	Beads were recovered using a broom and vac system for disposal. A work order put in to fix the faulty level control
5/29/2009	Styrene	Tank Farm	1 gallon	Approx. 1 gallon of styrene monomer was spilled onto the concrete floor of the tank farm while maintenance was removing the stripper hose from the closed-valve of tank M300	Human error	Spilled material was contained and recovered on site.
6/6/2009	Motor Oil	Utilities	~1/2 quart	A hydroblasting trailer that was parked in the truck unloading area just north of the Tank Farm leaked about half a quart of motor oil onto the concrete. The trailer was in service for the tank M300 internal cleaning/inspection project.	Equipment Failure	The spill was not discovered until the trailer had been moved. It's assumed the Incident Time was sometime between equipment start up and discovery. While in operation the equipment seemed to produce a slow drip that over time affected an area of concrete approximately 9" by 36". When discovered Dean T brought it to the attention of Billy Downen, the on site supervisor for KM Plant Services, the company performing the cleaning of tank M300. Billy immediately began to apply absorbent pads to the affected concrete area. More pads were placed onto the oil spill and left to absorb over night.

NOTES

1. These spills did not affect the quality of storm water at the facility as they occurred either indoors or within an area with secondary containment.
2. No spilled material was released to the Illinois River from the facility during this reporting period.



FLINT HILLS resources®

July 28, 2009

Illinois Environmental Protection Agency
Division of Water Pollution Control
Compliance Assurance Section #19
P.O. Box 19276
Springfield, IL 62794-9276

**Subject: Flint Hills Resources, LP – Peru Facility
General NPDES Permit # ILR0057**

To Whom It May Concern:


Enclosed please find an executed delegation of authority to me, as Plant Manager, with respect to General NPDES Permit No. ILR0057. This delegation authorizes me to execute submittals related to the above-referenced permit. The general partner of Flint Hills Resources, LP, is Flint Hills Resources, LLC. The delegation is granted by Mr. Phil Gaarder, Vice President Operations, Global Integration, of Flint Hills Resources, LLC.

Under 35 Ill. Adm. Code 305.102(c) ("Reporting Requirements"), "Compliance with the reporting requirements of 35 Ill. Adm. Code 310 satisfies this reporting requirement." In 35 Ill. Adm. Code 310.631(b), authority to sign reports for a partnership is granted to a general partner. Again, the general partner of Flint Hills Resources, LP, is Flint Hills Resources, LLC. Under 35 Ill. Adm. Code 310.631(a)(1), "responsible corporate officer" for purposes of signing reports is defined to include a vice-president, and under (a)(2), a plant manager "where authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures." Under Flint Hills Resources, LLC's, corporate procedures, Flint Hills Resources, LP, plant managers have authority to execute documents such as those relating to General NPDES Permit No. ILR0057.

It was recently noted, however, that Standard Condition 11(a) of General NPDES Permit No. ILR0057 regarding signatory authority includes the vice-president provision, but unlike 35 Ill. Adm. Code 310.631(a), does not include the plant manager provision. Rather, under Standard Condition 11(b), a duly authorized representative must be authorized in writing and submitted to IEPA. I became Plant Manager effective August 1, 2007, when Flint Hills Resources, LP, acquired the facility. Standard Condition 11(c) requires that in such a situation a new written authorization be submitted to IEPA "prior to or together with any reports, information, or applications to be signed by an authorized representative." Flint Hills Resources, LP, cannot confirm that such a delegation was submitted. Accordingly, please note that submittals relating to the permit may have been submitted prior to the execution and submittal of a delegation of authority.

Please contact Ganesh Krish at (815) 224-5451 or via email at ganesh.krish@fhr.com if you have any questions.

Sincerely,
Flint Hills Resources, LP



Brian Marcinkus
Plant Manager

Enclosures

<N:\EHS\Environmental\Stormwater\2009\SWP3 Signature Delegation Letter.Doc>

FLINT HILLS RESOURCES, LP
SIGNATORY AUTHORIZATION
FOR NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
PROGRAM DOCUMENTS

1. DELEGATIONS: Pursuant to the requirements of the Illinois Environmental Protection Agency and applicable laws, regulations, and permits, the individual listed in item 2 below is hereby authorized to execute documents and periodic reports required or requested by governmental environmental authorities connected with storm water discharge permitting at the Flint Hills Resources, LP, facility located in Peru, Illinois, except as limited below.
2. TO WHOM DELEGATED: Brian Marcinkus, Plant Manager
3. REDELEGATION AUTHORITY: None
4. REFERENCES: General NPDES Permit No. ILR0057, Standard Condition 11

Flint Hills Resources, LLC

By: 
Phil Gaarder
Vice President Operations, Global Integration
Flint Hills Resources, LLC
General Partner of Flint Hills Resources, LP

DATE: 7/27/09